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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending January 31, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	192-225	198.90	-1.60
400-500	191-222	204.50	+4.10
500-600	187-207	196.75	+5.83
600-700	176-196	184.63	+3.63
700-800	160-184	171.33	+2.33
800-900	145-169	159.57	+1.07
900+	144-153	149.25	+0.08

Heifers

	Range	Average	Change from last week
300-400	168-191	174.75	-2.25
400-500	171-193	179.30	+4.61
500-600	165-184	173.67	+3.46
600-700	152-171	163.00	+0.29
700-800	141-165	153.58	+2.00
800+	133-153	141.50	-1.55

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

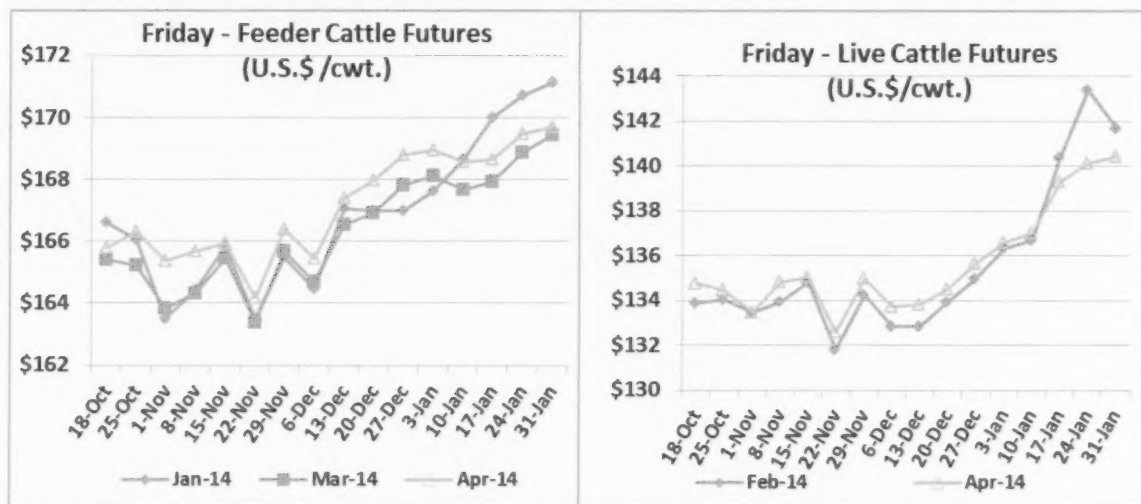
Canfax reported that a total of 18,065 head of cattle were sold in Saskatchewan this week, up from 17,996 head marketed the previous week. Feeder cattle prices overall continued to rise over the week hitting new record highs for many of the categories.

Average prices for feeder steers ranged between \$5.83 per cwt higher to \$1.60 per cwt lower, from the previous week. The feeder steers in the 300-400 lb. weight category had the only loss at \$1.60 per cwt. The 500-600 lb. weight category had the largest increase over the week and was \$5.83 per cwt higher to average \$196.75 per cwt.

Feeder heifer prices were also mostly higher over the week. Feeder heifer prices ranged from \$4.61 per cwt higher to \$2.25 per cwt lower, from the previous week. The 400-500 lb. weight category had the largest increase over the week at \$4.61 per cwt. The 300-400 lb. weight category and 800+ lb. weight categories had the only losses for the week with the 300-400 lb. weight category losing the most at \$2.25 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the January 30, 2014 U.S. feeder cattle index at US\$171.12 per cwt was calculated at -\$19.27 per cwt (US\$171.12/0.8978 - \$171.33), a slight basis narrowing of \$0.14 per cwt from -\$19.41 per cwt on January 23, 2014.

Feeder cattle futures prices continued to edge higher over the week with tighter cattle supplies. The January to March contracts increased between US\$0.200 per cwt and US\$0.550 per cwt, week-over-week. The January contract expired the week at US\$171.120 per cwt while the April contract settled the week at US\$169.675 per cwt.



Source: CME

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Live cattle futures prices were mixed over the week with the February contract losing \$1.725 per cwt to settle the week at US\$141.675 per cwt. The April contract increased US\$0.325 per cwt to settle the week at US\$140.425 per cwt. Weaker beef cutout values pushed nearby futures lower.

Iowa cash corn prices and nearby corn futures edged higher over the week. The Iowa cash price as of Friday was US\$4.23 per bushel, up 3 cents from the previous Friday. The March corn futures contract was almost 5 cents higher to settle Friday at US\$4.34 per bushel while the May contract increased just over 3 cents to close the week at US\$4.39 per bushel.

Fed and Non-fed Cattle

	January 31	January 24	Change
Cows (Alberta)			
D1,2 Live	81.92	79.83	+2.09
D3 Live	71.60	70.93	+0.67
Rail	163-168	159-164	+4.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher over the week with D1,2 slaughter cows increasing \$2.09 per cwt to average \$81.92 per cwt, while D3 slaughter cows increased \$0.67 per cwt to average \$71.60 per cwt.

Fed cattle prices in Western Canada were lower over the week. Fed steers in Alberta were reported to average \$139.78 per cwt, down \$2.74 per cwt from \$142.52 per cwt the previous week. Prices were lower after several weeks of record breaking fed cattle prices.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at a US\$145.34 per cwt, down US\$2.88 per cwt from US\$148.22 per cwt the previous week, but up 16.1 per cent from the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$231.10 per cwt, down US\$7.66 per cwt from US\$238.76 per cwt the previous week, but up 14.9 per cent from the same week a year ago.

Beef cutout prices averaged US\$231.98 per cwt, down US\$6.45 per cwt or 2.7 per cent below the record price of US\$238.43 per cwt the previous week (Choice 600-900 lb.). Lower beef cutout values helped put downward pressure on the fed cattle markets. Beef production for the week averaged 453.0 million lb., down 5.3 per cent from 478.6 million lb. the previous week, and down 8.7 per cent from 496.1 million lb. the same week a year ago. Weekly cattle slaughter numbers totaled 566,000 head, down 5.2 per cent from 597,000 head the previous week, and down 8.5 per cent from 618,700 head a year ago.

Friday Price Information

Product		This Week (January 31)	Week of: (January 24)
Canadian Dollar (closing rate US\$)		.8978	.9031
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)		171.12	170.34
Seven-day Weighted Average FC Index Wt. (lb.)		750	753
Live Fed 5-area Steer Price (US\$ per cwt)		145.34	148.22
Feed Grains			
Barley	Lethbridge (\$/tonne)	154.00	153.00
	(\$ per bu.)	3.35	3.33
Corn	Iowa State Average (CDN\$/tonne)*	185.48	183.09
	(US\$ per bu.)(Wed. 27/corn)	4.23	4.20
	Omaha, NE (CDN\$/tonne)*	NA	182.65
	(US\$ per bu.)	NA	4.19
Futures			
March Corn (US\$ per bu.)		4.34	4.29½
May Corn (US\$ per bu.)		4.39½	4.36
February Live Cattle (US\$ per cwt)		141.675	143.400
April Live Cattle (US\$ per cwt)		140.425	140.100
Jan. Feeder Cattle (US\$ per cwt)* expiry		171.120	170.700
March Feeder Cattle (US\$ per cwt)		169.425	168.875

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN\$ is based on Friday's CDN\$ closing rate

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive \$75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

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